Alberta. Hospitals and medical care dept.
Extra billing for medical services in Alberta, survey results. 1979.

Kwoc
101-07472/

OFFICE OF THE MINISTER
HOSPITALS AND MEDICAL CARE
JUL 17 1979
RECEIVED

EXTRA BILLING FOR MEDICAL SERVICES IN ALBERTA

- Survey Results -

LEGISLATIVE LIBRARY
WITHDRAWN
LEGISLATIVE LIBRARY OF ONTARIO
NOV 22 1979
RECEIVED

March 19th, 1979

Health Economics & Statistics
Alberta Hospitals and Medical Care

I. INTRODUCTION

Two sample surveys were commenced in February, 1979 to estimate: (A) the proportion of Alberta physicians who extra billed patients in January 1979 and (B) the total amount of extra billing in January 1979. Both surveys included services with claims paid by February 16, 1979. One survey, to determine the proportion of Alberta physicians who extra billed, was a telephone survey, in which two patients for each of 754 sampled physicians were interviewed. To estimate amounts of extra billing, a questionnaire was mailed to each of 11,658 registrants. By March 15, 1979, the telephone survey was completed and about 53% of the mailed questionnaires were returned to the Plan.

II. ASSUMPTIONS

An extra billing physician was defined as one who charged at least one of his patients, an amount in excess of A.H.C.I.P. payments for January 1979 services. Certain groups of registrants were excluded from the telephone survey. These excluded groups were registrants aged 65 or over, Social Welfare recipients and registants paying reduced or no health insurance premiums. For patients outside these excluded groups, it was assumed that physicians who extra billed were non-discriminatory in charging excess amounts to different patients. If this assumption proved to be false, the proportion of extra billing physicians, as observed in the telephone survey, would be understated.

In both surveys, registrants' ability to recollect information on past services was important. If registrants were not able to recall whether or not they were extra billed, the estimates from both surveys would be undervalued.

III. SURVEY RESULTS

A. Telephone Survey

Of all Alberta physicians who rendered services in January 1979, 37.0% were reported as extra billing physicians. The proportions for Calgary, Edmonton and Other Municipalities were 43.6%, 41.0% and 26.6% respectively. By specialty groupings, the proportions of Alberta physicians who extra billed were as follows: 36.1% of all Medical Specialists, 54.7% of all Surgical Specialists, 9.3% of all Laboratory Specialists and 33.2% of all General Practitioners. Results for each specialty are shown in Table I.

B. Questionnaire Survey

The results detailed in Tables II to IV and highlighted below are preliminary, being based on questionnaires returned by March 15, 1979.

1. The proportions of extra billed registrants, by location, were:

Calgary	21.6%
Edmonton	22.5%
Other Municipalities	10.7%
Total	16.9%

2. Out of all medical services included in the survey, 7.7% were extra billed services.

.../2

3. The average amount of extra billing for each extra billed service was $5.38. This value amounted to 33.0% of A.H.C.I.P. payments for the same services.

4. The total amount of extra billing for this period was estimated at $470,000, thereby representing 3.3% of A.H.C.I.P. payments covered in this survey.

5. By types of service, Office Visits and Procedures/Surgeries were the most frequently extra billed services, at 12.5% and 18.5% of their respective total services. Estimated extra billing for these same two types of services covered 83.4% of the estimated total amount of extra billing.

IV. COMPARISON WITH INFORMATION FROM OTHER SOURCES

A. Physician-Reported Extra Billing

On their claims for payment, some physicians stated their extra billed charges. For the period covered in the surveys, the proportion of physician-reported extra billing physicians, at 17.9%, was lower than the 37.0% observed in the telephone survey.

B. Previous Questionnaire Survey

The previous survey, covering July to December 1977 payments, was designed only to calculate the average amount of extra billing per registration. Therefore, not all results obtained from the January 1979 survey are comparable to results of the previous survey.

1. As compared to results for a previous survey, the proportions of extra billed registrants were said to be:

Survey	
July to December, 1977	13.9%
January, 1979	16.9%

2. Also comparable are annualized estimates on extra billing, on a date-of-service basis:

Years Ended December 31	Extra Billing (D.O.S.)	Extra Billing, as % of A.H.C.I.P. Payments
1977	$4,328,000	2.53%
1979	$7,261,000	3.31%

March 19th, 1979
Medical Economics
Health Economics & Statistics
Alberta Hospital and Medical Care

TABLE I

PROPORTION OF ALBERTA MEDICAL PRACTITIONERS WHO EXTRA BILLED FOR SERVICES PROVIDED IN JANUARY, 1979 BY SPECIALTY

SPECIALTY	PROPORTION
	(%)
Anaesthesia	37.1
Dermatology	53.8
General Surgery	40.0
Urology	34.5
Internal Medicine	32.0
Neurology	31.3
Neurosurgery	60.0
Obstetrics-Gynaecology	76.0
Ophthalmology	86.7
Rhino-Otolaryngology	64.0
Orthopaedic Surgery	36.0
Paediatrics	38.0
Pathology	-
Psychiatry	42.9
Plastic Surgery	46.7
Physiatry	-
Radiology	11.1
Thoracic Surgery	10.0
Laboratories	9.5
General Practice	33.2
TOTAL	37.0%

NOTES:

A. Services included claims processed for payment by February 16, 1979.

B. For nine out of ten cases, the estimated total proportion of medical practitioners who extra billed for January 1979 services falls within the range of 37.0% ± 2.8%.

March 19th, 1979
Medical Economics
Health Economics & Statistics
Alberta Hospitals and Medical Care

TABLE II

ESTIMATES OF EXTRA BILLED SERVICES AS A PERCENTAGE OF TOTAL MEDICAL SERVICES PERFORMED IN JANUARY, 1979, BY TYPE OF SERVICE AND BY LOCATION

TYPE OF SERVICE/LOCATION	PERCENTAGE
TYPE OF SERVICE	
1. Office Visits	12.48%
2. House Visits	0.56
3. Hospital Visits	1.85
4. Consultations	12.33
5. Procedures/Surgeries	18.54
6. X-rays	0.54
7. Laboratory Services	1.25
8. Anaesthetic Services	8.57
9. Other Services	17.63
TOTAL	7.69
BY LOCATION	
1. Edmonton	10.11
2. Calgary	9.11
3. Others	5.02
TOTAL	7.69

NOTES:

A. For nine out of ten cases, the estimate of total number of extra billed services as a percentage of total medical services will fall within 7.69 ± 0.32%.

B. For "Other Services", extra billed were non-surgical treatments of warts, keratoses and simple naevi.

March 19th, 1979
Medical Economics
Health Economics & Statistics
Alberta Hospitals and Medical Care

TABLE III

ESTIMATES OF AMOUNTS OF EXTRA BILLING FOR MEDICAL SERVICES
PERFORMED IN JANUARY, 1979
BY TYPE OF SERVICE AND BY LOCATION

TYPE OF SERVICE /LOCATION	JANUARY, 1979 A.H.C.I.P. PAYMENTS	PERCENTAGE OF EXTRA BILLING	ESTIMATES OF EXTRA BILLING
	($,000)	(%)	($,000)
TYPE OF SERVICE			
1. Office Visits	6,880	3.89	268
2. House Visits	151	0.39	1
3. Hospital Visits	811	0.61	5
4. Consultations	867	3.15	27
5. Procedures/Surgeries	1,723	7.22	124
6. X-rays	1,121	0.21	2
7. Laboratory Services	1,999	0.29	6
8. Anaesthetic Services	582	5.97	35
9. Other Services	53	3.33	2
TOTAL	14,187	3.31	470
BY LOCATION			
1. Edmonton	3,940	4.22	166
2. Calgary	4,277	3.96	169
3. Others	5,970	2.24	135
TOTAL	14,187	3.31	470

NOTES:

A. For nine out of ten cases, the estimate of total amount of extra billing will fall within a range of $470,000 ± 43,000.

B. For "Other Services", extra billed were non-surgical treatments of warts, keratoses and simple naevi.

C. January, 1979 A.H.C.I.P. payments were compiled on a date-of-service basis including payments up to February 16, 1979.

March 19th, 1979
Medical Economics
Health Economics & Statistics
Alberta Hospitals and Medical Care

TABLE IV

AVERAGE AMOUNT OF EXTRA BILLING PER EXTRA BILLED SERVICE
AND AMOUNT OF EXTRA BILLING AS A PERCENTAGE OF A.H.C.I.P. PAYMENTS
FOR EXTRA BILLED SERVICES,
BY TYPE OF SERVICE AND BY LOCATION

TYPE OF SERVICE/LOCATION	AVERAGE AMOUNT OF EXTRA BILLING	PERCENTAGE OF A.H.C.I.P. PAYMENTS
TYPE OF SERVICE		
1. Office Visits	$ 3.99	28.07%
2. House Visits	10.00	47.62
3. Hospital Visits	3.83	33.27
4. Consultations	8.41	26.87
5. Procedures/Surgeries	13.39	43.73
6. X-rays	7.06	48.48
7. Laboratory Services	1.32	58.23
8. Anaesthetic Services	24.42	59.43
9. Other Services	0.71	33.68
TOTAL	$ 5.38	32.96%
BY LOCATION		
1. Edmonton	5.34	34.27
2. Calgary	5.02	31.13
3. Others	5.99	33.99
TOTAL	$ 5.38	32.96%

NOTE:

For "Other Services", extra billed were non-surgical treatments of warts, keratoses and simple naevi.

March 19th, 1979
Medical Economics
Health Economics & Statistics
Alberta Hospitals and Medical Care

EXTRA BILLING FOR MEDICAL SERVICES IN ALBERTA

- SURVEY RESULTS UPDATED -

May 1st, 1979

Health Economics & Statistics
Alberta Hospitals and Medical Care

LEGISLATIVE LIBRARY
RECEIV

I. INTRODUCTION

This is to update the report entitled "Extra Billing for Medical Services in Alberta--Survey Results", which was based on questionnaires returned to the Plan by March 15th, 1979.

In February 1979, two random sample surveys were undertaken to estimate: (A) the proportion of Alberta physicians who extra billed patients in January 1979 and (B) the total amount of extra billing in January 1979. Both surveys included services with claims paid by February 16th, 1979.

One survey, to determine the proportion of Alberta physicians who extra billed was a telephone survey where two patients for each of 754 randomly selected physicians were interviewed. The telephone survey was completed in early March. To estimate amounts of extra billing, a questionnaire was mailed to each of 11,658 registrants. A copy of the questionnaire is attached as Appendix A. By April 18th, 1979, about 67% of the mailed questionnaires were returned, as effective responses, to the Plan.

II. ASSUMPTIONS

An extra billing physician was defined as one who charged at least one of his patients, an amount in excess of A.H.C.I.P. payments for January 1979 services. Certain groups of registrants were excluded from the telephone survey. These excluded groups were registrants aged 65 or over, Social Welfare recipients and registrants paying reduced or no health insurance premiums. For patients outside these excluded groups, it was assumed that physicians who extra billed were non-discriminatory in charging excess amounts to different patients. If this assumption proved to be false, the proportion of extra billing physicians, as observed in the telephone survey, would be understated.

In both surveys, registrants' ability to recollect information on past services was important. If registrants were not able to recall whether or not they were extra billed, the estimates from both surveys would be undervalued.

III. SURVEY RESULTS

A. Telephone Survey

The results for this survey remain unchanged from the previous report. Of all Alberta physicians who provided services in January 1979, 37.0% were reported as extra billing physicians. The proportions for Calgary, Edmonton and Other Municipalities were 43.6%, 41.0% and 26.6% respectively. By specialty groupings, the proportion of Alberta Physicians who extra billed were, as follows: 36.1% of all Medical Specialists, 54.7% of all Surgical Specialists, 9.3% of all Laboratory Specialists and 33.2% of all General Practitioners. Results for each specialty are shown in Table I.

.../2

B. Questionnaire Survey

The results detailed in Tables II to V and highlighted below are based on all effective responses received by April 18th, 1979.

1. The proportions of extra billed registrants, by location, were:

Calgary	21.5%
Edmonton	21.3%
Other Municipalities	10.3%
Total	16.4%

2. For the medical services included in the survey, 7.4% were extra billed services.

3. The average amount of extra billing for each extra billed service was $5.67. This value amounted to 34.3% of A.H.C.I.P. payments for the same services.

4. The total amount of extra billing for this period was estimated at $477,000, thereby representing 3.4% of A.H.C.I.P. payments for the January 1979 services covered in this survey.

5. Office Visits and Procedures/Surgery were two types of services which were frequently extra billed. Estimated extra billing for the same two types of service contained 83.0% of the total estimated extra billing.

6. Each extra billed registrant was charged an additional $8.98 for January 1979 medical services.

IV. COMPARISON WITH OTHER SOURCES OF INFORMATION

A. Physician-Reported Extra Billing

On their claims for payment, some physicians stated their extra billed charges. For the payment period covered by the surveys, the proportion of physicians who reported their own extra billing, at 17.9%, was lower than the 37.0% observed in the telephone survey.

B. Previous Questionnaire Survey

A previous survey, encompassing July to December 1977 payments, was designed only to calculate the average amount of extra billing per registration. Therefore, not all results obtained from the January 1979 survey are comparable to results of the previous survey. Comparable results are the following:

1. The proportions of extra billed registrants were:

July to December, 1977 Survey	13.9%
January, 1979 Survey	16.4%

.../3

2. Annualized estimates on extra billing, on a date-of-service basis, are depicted below:

Years Ended December 31	Extra billing (D.O.S.)	Extra Billing, as % of A.H.C.I.P. Payments
1977	$4,328,000	2.53%
1979	$7,371,000	3.36%

Revised
May 1st, 1979
Medical Economics
Health Economics & Statistics

APPENDIX "A"

AHC 433

ALBERTA HEALTH CARE INSURANCE PLAN
EXTRA BILLING SURVEY

WITH YOUR COOPERATION, WE WOULD LIKE TO KNOW HOW EXTENSIVELY ALBERTA PHYSICIANS ARE EXTRA BILLING THEIR PATIENTS. EXTRA BILLING IS THAT AMOUNT YOUR PHYSICIAN(S) BILLED YOU OR YOUR DEPENDANTS OVER THE AMOUNT PAID BY THE ALBERTA HEALTH CARE INSURANCE PLAN.

WHETHER OR NOT YOU WERE EXTRA BILLED, PLEASE COMPLETE, DATE AND SIGN THIS SURVEY FORM AND RETURN IT TO US IN THE ENCLOSED PRE-ADDRESSED, STAMPED ENVELOPE BY

WERE YOU OR YOUR DEPENDANTS EXTRA BILLED FOR ANY OF THE SERVICES LISTED BELOW? YES ☐ NO ☐

IF 'YES' PLEASE INDICATE THE EXACT AMOUNT OF EXTRA BILLING OPPOSITE THE APPROPRIATE SERVICE IN THE COLUMN MARKED 'AMOUNT EXTRA BILLED.'

REGISTRATION NUMBER

TO

THE FOLLOWING SHOWS MEDICAL SERVICES PROVIDED IN JANUARY TO DECEMBER BY THE ALBERTA HEALTH CARE INSURANCE PLAN ON BEHALF OF YOURSELF AND YOUR DEPENDANTS

	PATIENTS		TYPE OF SERVICE	SERVICE PROVIDED BY	SERVICE CODE	DATE OF SERVICE			AMOUNT PAID	FOR AHCIP USE ONLY	AMOUNT EXTRA BILLED
	INITIALS	IDENTITY NUMBER				DAY	MO	YEAR			
1											
2											
3											
4											
5											
6											
7											
8											
9											
10											
11											
12											
13											
14											
15											
16											
17											
18											
19											
20											
21											
22											
23											
24											
25											
26											
27											
28											
29											
30											
						TOTAL					

1. OFFICE VISIT
2. HOUSE VISIT
3. HOSPITAL VISIT(S)
4. CONSULTATION
5. PROCEDURE/SURGERY
6. X RAY
7. LABORATORY SERVICE
8. ANAESTHETIC
9. OTHER

SIGNATURE

DATE

THANK YOU FOR YOUR COOPERATION

Table I

PROPORTION OF ALBERTA MEDICAL PRACTITIONERS WHO EXTRA BILLED
FOR SERVICES PROVIDED IN JANUARY, 1979
BY SPECIALTY

SPECIALTY	PROPORTION WHO EXTRA BILLED
	(%)
All Practitioners	37.0
(Less Laboratories)[b]	38.3
General Practitioners	33.2
Specialists	41.8
(Less Laboratories)[b]	45.5
SPECIALISTS BY SPECIALTY	
Anaesthetists	37.1
Dermatologists	53.8
General Surgeons	40.0
Urologists	34.5
Internists	32.0
Neurologists	31.3
Neurological Surgeons	60.0
Obstetricians-Gynaecologists	76.0
Ophthalmologists	86.7
Rhino-Otolaryngologists	64.0
Orthopaedic Surgeons	36.0
Paediatricians	38.0
Pathologists	-
Psychiatrists	42.9
Plastic Surgeons	46.7
Physiatrists	-
Radiologists	11.1
Thoracic Surgeons	10.0
Laboratories	9.5

[a] Services covered claims processed for payment by February 16, 1979.

[b] Excludes specialties of Pathology, Radiology and Laboratories.

[c] For nine out of ten cases the estimated total proportion of medical practitioners who extra billed for January 1979 services falls within the range of 37.0% ± 2.8%.

Revised
May 1st, 1979
Health Economics & Statistics
Alberta Hospitals and Medical Care

TABLE II

ESTIMATES OF EXTRA BILLED SERVICES AS A PERCENTAGE
OF TOTAL MEDICAL SERVICES PERFORMED IN JANUARY, 1979,
BY TYPE OF SERVICE AND BY LOCATION

TYPE OF SERVICE/LOCATION	PERCENTAGE
TYPE OF SERVICE	(%)
1. Office Visits	12.10%
2. House Visits	0.43
3. Hospital Visits	1.59
4. Consultations	12.14
5. Procedures/Surgeries	17.44
6. X-rays	0.66
7. Laboratory Services	1.15
8. Anaesthetic Services	8.43
9. Other Services	17.40
TOTAL	7.41
LOCATION	
1. Calgary	8.84
2. Edmonton	9.66
3. Other Municipalities	4.86
TOTAL	7.41

NOTES:

A. For nine out of ten cases, the estimate of total number of extra billed services as a percentage of total medical services for all Alberta will fall within 7.41 ± 0.27%. The corresponding percentages for Calgary, Edmonton and Other Municipalities will be 8.84 ± 0.52%; 9.66 ± 0.59%; and 4.86 ± 0.35%.

B. For "Other Services", extra billed were non-surgical treatments of warts, keratoses and simple naevi.

Revised
May 1st, 1979
Medical Economics
Health Economics & Statistics
Alberta Hospitals and Medical Care

TABLE III

ESTIMATES OF AMOUNTS OF EXTRA BILLING FOR MEDICAL SERVICES
PERFORMED IN JANUARY, 1979
BY TYPE OF SERVICE AND BY LOCATION

TYPE OF SERVICE /LOCATION	JANUARY, 1979 A.H.C.I.P. PAYMENTS	PERCENTAGE OF EXTRA BILLING	ESTIMATES OF EXTRA BILLING
	($,000)	(%)	($,000)
TYPE OF SERVICE			
1. Office Visits	6,880	3.81	262
2. House Visits	151	0.31	0
3. Hospital Visits	811	0.58	5
4. Consultations	867	3.29	29
5. Procedures/Surgeries	1,723	7.75	134
6. X-rays	1,121	0.30	3
7. Laboratory Services	1,999	0.45	9
8. Anaesthetic Services	582	5.72	33
9. Other Services	53	3.06	2
TOTAL	14,187	3.36	477
LOCATION			
1. Calgary	4,277	4.01	172
2. Edmonton	3,940	4.02	158
3. Other Municipalities	5,970	2.46	147
TOTAL	14,187	3.36	477

NOTES:

A. For nine out of ten cases, the estimate of total amount of extra billing will fall within a range of $477,000 ± 39,000. The corresponding amounts for Calgary, Edmonton and Other Municipalities will be $172,000 ± 12,000; $158,000 ± 11,000; and $147,000 ± 16,000 respectively.

B. For "Other Services", extra billed were non-surgical treatments of warts, keratoses and simple naevi.

C. January, 1979 A.H.C.I.P. payments were compiled on a date-of-service basis including payments up to February 16, 1979.

Revised
May 1st, 1979
Medical Economics
Health Economics & Statistics
Alberta Hospitals and Medical Care

TABLE IV

AVERAGE AMOUNT OF EXTRA BILLING PER EXTRA BILLED SERVICE
AND AMOUNT OF EXTRA BILLING AS A PERCENTAGE OF A.H.C.I.P. PAYMENTS
FOR EXTRA BILLED SERVICES,
BY TYPE OF SERVICE AND BY LOCATION

TYPE OF SERVICE/LOCATION	AVERAGE AMOUNT OF EXTRA BILLING	PERCENTAGE OF A.H.C.I.P. PAYMENTS
TYPE OF SERVICE	($)	(%)
1. Office Visits	4.03	28.57
2. House Visits	10.00	47.62
3. Hospital Visits	4.24	36.48
4. Consultations	8.71	28.57
5. Procedures/Surgeries	15.72	46.99
6. X-rays	8.26	52.30
7. Laboratory Services	2.25	77.58
8. Anaesthetic Services	23.56	57.77
9. Other Services	0.75	36.76
TOTAL	5.67	34.34
LOCATION		
1. Calgary	5.21	32.11
2. Edmonton	5.30	34.62
3. Other Municipalities	6.82	36.96
TOTAL	5.67	34.34

NOTES:

A. For nine out of ten cases, the estimated average extra billing per extra billed service for all Alberta will fall within the range of $5.67 ± 0.46. For Calgary, Edmonton and Other Municipalities these ranges will be $5.21 ± 0.40; $5.30 ± 0.39; and $6.82 ± 0.72 respectively.

B. For "Other Services", extra billed were non-surgical treatments of warts, keratoses and simple naevi.

Revised
May 1st, 1979
Medical Economics
Health Economics & Statistics
Alberta Hospitals and Medical Care

TABLE V

AVERAGE AMOUNT OF EXTRA BILLING
PER EXTRA BILLED REGISTRANT, BY LOCATION

LOCATION	EXTRA BILLING
	($)
Calgary	8.68
Edmonton	8.29
Other Municipalities	9.60
TOTAL	8.98

NOTE:

For nine out of ten cases, the average extra billing per extra billed registrant will fall within the range of $8.98 ± 0.74. For Calgary, Edmonton and Other Municipalities these ranges will be $8.68 ± 1.17; $8.29 ± 0.94 and $9.60 ± 1.65 respectively.

May 1st, 1979
Medical Economics
Health Economics & Statistics
Alberta Hospitals and Medical Care